

TO: Sieg Chencinski
FROM: Elizabeth Deal *ED*
Date: December 4, 2002
RE: Search: 09/537,372

Attached are the results of the above-referenced search, regarding volatility arbitrage. If you have any questions or comments, please feel free to contact me at 305-5783.

705/30

Access DB#

81451

SEARCH REQUEST FORM

Scientific and Technical Information Center

Requester's Full Name: SIG. CHENCIUSKI Examiner #: 79531 Date: 12-02-02
 Art Unit: 3628 Phone Number 305-6199 Serial Number: 09/537,372
 Mail Box and Bldg/Room Location PKS, 7D40 Results Format Preferred (circle): PAPER DISK E-MAIL

If more than one search is submitted, please prioritize searches in order of need.

Please provide a detailed statement of the search topic, and describe as specifically as possible the subject matter to be searched. Include the elected species or structures, keywords, synonyms, acronyms, and registry numbers, and combine with the concept or utility of the invention. Define any terms that may have a special meaning. Give examples or relevant citations, authors, etc, if known. Please attach a copy of the cover sheet, pertinent claims, and abstract.

Title of Invention: ACTIVE ACCOUNT MANAGEMENT USING VOLATILITY ARBITRAGE

Inventors (please provide full names): L. LLOYD A. GROVEMAN

RICHARD L. ZACK

Earliest Priority Filing Date: 03/24/00

For Sequence Searches Only Please include all pertinent information (parent, child, divisional, or issued patent numbers) along with the appropriate serial number.

Please see 2-page attachment

STAFF USE ONLY		Type of Search	Vendors and cost where applicable
Searcher:		NA Sequence (#)	STN
Searcher Phone #:		AA Sequence (#)	Dialog
Searcher Location:		Structure (#)	Questel/Orbit
Date Searcher Picked Up:		Bibliographic	Dr.Link
Date Completed:		Litigation	Lexis/Nexis
Searcher Prep & Review Time:		Fulltext	Sequence Systems
Clerical Prep Time:		Patent Family	WWW/Internet
Online Time:		Other	Other (specify)

09/537,372

Filing Date: 03/24/00

No claim for earlier effective Filing Date

2 Applicants - 1. Groveson
2. Tech

KEY WORDS of Expressions:

ACTIVELY)

MANAGING

ACCOUNT

EQUITY(IES)

VOLATILITY ARBITRAGE) or EQUITY INVESTMENT
HARVESTING)

TRACKING BASKET

INDEX

UNDERLY(ING)

CORRELATION

VOLATILITY DIFFERENTIAL

MINIMUM / MINIMIZE (VOLATILITY DIFFERENTIAL)

DYNAMIC }

HEDGING)

FINANCIAL
OWNERSHIP

OPTIONS (TO BUY OR SELL EQUITIES / STOCK SHARES)

OPTIMIZATION ROUTINE (MATHEMATICAL)

CONSTRAINT (IN THE OPTIMIZATION ROUTINE)

REGRESSION ANALYSIS (MATHEMATICAL)

R²



BID & DETERMINED CRITERIA

CALL OPTIONS

PUT OPTIONS

NOTIONAL AMOUNT $\stackrel{\text{Syn's}}{=}$ INVESTMENT OR SPECULATIVE, CONCEPTUAL

KEY WORDS - p. 2

- * DELTA = DIFFERENCE OR CHANGE
→ See DICTIONARY OF FINANCIAL
- * DELTA HEDGING
DELTA - A NETWORK OF THE RELATIONSHIP BETWEEN AN OPTION PRICE AND THE UNDERLYING FUTURE CONTRACT OR STOCK PRICE.
- * SKEW ANALYSIS
- * LONG PUT
- * DISPOSITION
- * RE-ASSESSMENT
- * PREDETERMINED CRITERIA